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Deputy Commissioner

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December 28, 2021

Secretary Cardona (sent via OESE@ed.gov email only) U.S. Department of Education Lyndon Baines Johnson Department of Education Building 400 Maryland Ave, SW Washington, DC 20202

Re: Waiver Request from Section 2004(a) of the American Rescue Plan Act (ARP) and Section 317 of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)

Dear Secretary Cardona:

This letter, along with the accompanying attachments, has been prepared by the State of New Hampshire.

The State of New Hampshire has continued to maintain ongoing support in the vital areas of elementary, secondary, and higher education. Through examining the State's overall support basis and aid per pupil basis, State education aid appropriations in New Hampshire exceed the average levels of support provided during State fiscal years 2017, 2018, and 2019. However, due to the unique definition of the Maintenance of Effort in ARP and CRRSA, which defines support in education as a percentage of overall State spending, New Hampshire does not anticipate achieving technical compliance in 2022 and 2023 and, as a result, is now seeking a waiver.

This non-compliance status is primarily the result of increasing investments by the State in addressing a persistent opioid addiction epidemic, understaffing of child protective services, and the waitlist for mental health services. Additionally, the State made two permanent 3.1 percent increases in Medicaid reimbursement rates for all providers during SFY 2020 and 2021. These necessary investments to improve the State's capacity and ability to keep its citizens healthy and safe have required a larger percentage of the recent overall increases in the State budget, which has naturally decreased the percent of education spending relative to the overall State budget.

Enclosed is information containing details and explanations relative to New Hampshire's estimated non-compliance with the Maintenance of Effort provisions within ARP and CRRSA:

- Appendix A contains answers to the questions USED has requested accompany a waiver request.
- Appendix B contains the MOE waiver request form.

Should you have any questions or need additional information please contact me.

Sincerely,

Frank Edelblut

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Commissioner of Education